

# **EXHIBIT A**

**COPY**

Richard M. Heimann (State Bar No. 063607)  
*rheimann@lchb.com*  
 Joseph R. Saveri (State Bar No. 130064)  
*jsaveri@lchb.com*  
 Eric B. Fastiff (State Bar No. 182260)  
*efastiff@lchb.com*  
 LIEFF, CABRASER, HEIMANN & BERNSTEIN, LLP  
 275 Battery Street, 30th Floor  
 San Francisco, CA 94111-3339  
 Telephone: (415) 956-1000  
 Facsimile: (415) 956-1008

H. Laddie Montague, Jr.  
*hlmontague@bm.net*  
 Ruthanne Gordon  
*rgordon@bm.net*  
 Candice Enders  
*cenders@bm.net*  
 BERGER & MONTAGUE, P.C.  
 1622 Locust Street  
 Philadelphia, PA 19103  
 Telephone: (215) 875-3000  
 Facsimile: (215) 875-4604

Attorneys for Individual and Representative Plaintiff Nathan Muchnick, Inc.

UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF CALIFORNIA

NATHAN MUCHNICK, INC., on behalf of itself and  
 all others similarly situated,

Plaintiff,

v.

CHUNGHWA PICTURE TUBES, LTD.;  
 TATUNG COMPANY OF AMERICA, INC.;  
 LG ELECTRONICS, INC.; LG PHILIPS DISPLAY  
 USA, INC.; MATSUSHITA ELECTRIC  
 INDUSTRIAL CO., LTD.; PANASONIC  
 CORPORATION OF NORTH AMERICA;  
 KONINKLIJKE PHILIPS ELECTRONICS N.V.;  
 PHILIPS ELECTRONICS NORTH AMERICA  
 CORPORATION; SAMSUNG ELECTRONICS CO.,  
 LTD.; SAMSUNG ELECTRONICS AMERICA,  
 INC.; SAMSUNG SDI CO., LTD. f/k/a SAMSUNG  
 DISPLAY DEVICE CO.; TOSHIBA  
 CORPORATION; TOSHIBA AMERICA  
 ELECTRONICS COMPONENTS, INC.; TOSHIBA  
 AMERICA INFORMATION SYSTEMS, INC.;

(caption continues on next page)

Case No.

**07**

**MEJ**

**5981**

CLASS ACTION COMPLAINT

DEMAND FOR JURY TRIAL

1 MT PICTURE DISPLAY COMPANY;  
 2 MT PICTURE DISPLAY CORPORATION OF  
 3 AMERICA (New York); MT PICTURE DISPLAY  
 CORPORATION OF AMERICA (Ohio); and  
 LP DISPLAYS,

4  
 5 Defendants.

6  
 7 Plaintiff Nathan Muchnick, Inc. ("Plaintiff") individually and on behalf of the  
 8 Class described below, brings this action for treble damages and injunctive relief against  
 9 Defendants, and demanding a trial by jury, alleges on information and belief to all matters except  
 10 those stated in paragraph 9, which are based on personal knowledge, as follows:

11 **NATURE OF THE CASE**

12 1. Plaintiff brings this lawsuit as a class action on behalf of individuals and  
 13 entities who purchased directly cathode-ray tubes ("CRTs") and products containing CRTs  
 14 (jointly, "CRT Products") in the United States from Defendants during the period from at least  
 15 May 1, 1998 through the present (the "Class Period"). CRTs are used in a number of products,  
 16 including but not limited to, computer monitors and televisions. As used herein, "CRT Products"  
 17 refers to CRTs and products containing CRTs manufactured by any of the named Defendants or  
 18 their subsidiaries or affiliates.

19 2. During the Class Period, Defendants' collusive behavior artificially inflated  
 20 the price of CRT Products. In particular, Defendants participated in cartel behavior and colluded  
 21 to fix the prices of CRT Products.

22 3. Throughout the Class Period, Defendants' conspiracy was intended to, and  
 23 did, moderate the downward price pressures on CRT Products caused by the market entry and  
 24 rapid penetration of more technologically advanced competitive products. As explained in further  
 25 detail below, liquid crystal displays ("LCD") and plasma display panels ("PDP") were used in the  
 26 same primary applications as CRTs and presented significant advantages over CRT Products.  
 27 LCD, PDP and products containing LCD or PDP will collectively be referred to as flat panel  
 28 display products ("FPD Products"). Many of the Defendants, in addition to manufacturing,

1 distributing and selling CRT Products, were also manufacturers, distributors, and sellers of FPD  
 2 Products. Defendants who participated in both the market for CRT Products and the market for  
 3 FPD Products will be specifically identified below.

4 4. California is a major center of the international technology industry.  
 5 Because of Defendants' unlawful conduct and conspiracy, Plaintiff and other members of the  
 6 Class paid artificially inflated prices for CRT Products. Plaintiff and other members of the Class  
 7 who purchased these products have therefore been damaged by Defendants' illegal actions.

#### 8 JURISDICTION AND VENUE

9 5. Plaintiff brings this action pursuant to Section 4 of the Clayton Act,  
 10 15 U.S.C. § 15, for treble damages as well as reasonable attorneys' fees and costs of suit, for  
 11 Defendants' violation of section 1 of the Sherman Act, 15 U.S.C. § 1.

12 6. Jurisdiction is conferred upon this Court by 28 U.S.C. §§ 1331 and 1337,  
 13 and by section 4 of the Clayton Act, 15 U.S.C. § 15(a).

14 7. This Court has *in personam* jurisdiction over each of the Defendants  
 15 because each was engaged in an illegal price-fixing scheme and conspiracy that was directed to  
 16 and/or caused injury to persons or entities residing in, located in, or doing business in this District  
 17 and throughout the United States.

18 8. Venue is proper in this District pursuant to 15 U.S.C. §§ 15(a) and 22.  
 19 28 U.S.C. § 1391(b), (c), and (d) and Local Rules of the United States District Court for the  
 20 Northern District of California 3-2 because during the Class Period, one or more of the  
 21 Defendants resided, transacted business, was found, or had agents in this district, and because a  
 22 substantial part of the events giving rise to Plaintiff's claims occurred, and a substantial portion of  
 23 the affected interstate trade and commerce described below was carried out in this District.

#### 24 THE PARTIES

##### 25 A. The Plaintiff

26 9. Plaintiff Nathan Muchnick, Inc. was a corporation organized and existing  
 27 under the laws of the Commonwealth of Pennsylvania and had its principal place of business at  
 28 1725 Chestnut Street, Philadelphia, PA 19103. Nathan Muchnick, Inc. directly purchased CRT

Products from one or more of the Defendants during the Class Period and was injured as a result of Defendants' illegal conduct.

**B. The Defendants**

**1. Chunghwa**

10. Defendant Chunghwa Picture Tubes, Ltd. ("Chunghwa") is a Taiwanese company with its principal place of business at 1127 Heping Road, Bade City, Taoyuan, Taiwan. It is a partially owned subsidiary of Tatung Company, a consolidated consumer electronics and information technology company based in Taiwan. Chunghwa's Board of Directors includes representatives from Tatung Company. The Chairman of Chunghwa, Weishan Lin, is also the Chairman and General Manager of Tatung Company. During the Class Period, Chunghwa manufactured, sold, and distributed CRT Products to customers throughout the United States. Chunghwa also manufactured, distributed and sold FPD Products in the United States during the Class Period.

11. Defendant Tatung Company of America, Inc. is a California corporation with its principal place of business at 2850 El Presidio Street, Long Beach, California. Tatung Company of America, Inc. is a wholly-owned and controlled subsidiary of Tatung Company. During the Class Period, Tatung Company of America, Inc. manufactured, sold, and distributed CRT Products to customers throughout the United States. Tatung Company of America, Inc. also manufactured, distributed and sold FPD Products in the United States during the Class Period.

**2. LG**

12. Defendant LG Electronics, Inc. ("LGE"), is a manufacturer of CRT Products with its global headquarters located at LG Twin Towers 20, Yeouido-dong, Yeongdeungpo-gu, Seoul, Korea 150-721. During the Class Period, LGE manufactured, sold and distributed CRT Products to customers throughout the United States. LGE also manufactured, distributed and sold FPD Products in the United States during the Class Period.

**3. Matsushita**

13. Defendant Matsushita Electric Industrial Co., Ltd ("Matsushita") is a Japanese company and has its global headquarters at 1006 Kadoma, Osaka 571-8501, Japan.

1 Matsushita is the parent company of Panasonic Corporation of North America, JVC Company of  
2 America, and Victor Company of Japan, Ltd. During the Class Period, Matsushita manufactured,  
3 sold and distributed CRT Products to customers throughout the United States. Matsushita also  
4 manufactured, distributed and sold FPD Products in the United States during the Class Period.

5 14. Defendant Panasonic Corporation of North America ("Panasonic"), is a  
6 subsidiary of Defendant Matsushita and oversees its North American business operations,  
7 including sales. Defendant Panasonic has its global headquarters at 1 Panasonic Way, Secaucus,  
8 New Jersey 07094. During the Class Period, Panasonic manufactured, sold and distributed CRT  
9 Products to customers throughout the United States. A substantial portion of the CRTs produced  
10 by MT Picture Displays Co., Matsushita's subsidiary, went to Panasonic for Panasonic's  
11 production of CRT Products. Panasonic also manufactured, distributed and sold FPD Products in  
12 the United States during the Class Period.

13 4. Philips

14 15. Defendant Koninklijke Philips Electronics N.V. ("Koninklijke") has its  
15 global headquarters at Breitner Center Amstelplein 2, Amsterdam 1096 BC, Netherlands. During  
16 the Class Period, Koninklijke manufactured, sold and distributed CRT Products to customers  
17 throughout the United States. Koninklijke also manufactured, distributed and sold FPD Products  
18 in the United States during the Class Period.

19 16. Defendant Philips Electronics North America Corporation ("Philips  
20 Electronics NA"), is a manufacturer of CRT Products. Defendant Philips Electronics NA has its  
21 global headquarters at 1251 Avenue of the Americas, New York, New York 10020. During the  
22 Class Period, Philips Electronics NA manufactured, sold and distributed CRT Products to  
23 customers throughout the United States. Philips Electronics NA also manufactured, distributed  
24 and sold FPD Products in the United States during the Class Period.

25 17. Defendant LG Philips Display USA, Inc. ("LGPD"), is a manufacturer of  
26 CRT Products and is a subsidiary of Philips Electronics NA. Defendant LG Philips Display  
27 USA, Inc has its global headquarters at 300 W Morgan Rd, Ann Arbor, MI 48108-9108. United  
28

1 States. During the Class Period, LGPD manufactured, sold and distributed CRT Products to  
2 customers throughout the United States.

3                   5.       Samsung

4                   18.     Defendant Samsung Electronics Co., Ltd. ("Samsung Electronics") is a  
5 Korean company with its principal place of business at Samsung Main Building, 250,  
6 Taepyeongno 2-ga, Jung-gu, Seoul 100-742, Korea. It is the world's largest producer of CRT  
7 Products. During the Class Period, Samsung Electronics manufactured, sold, and distributed  
8 CRT Products to customers throughout the United States. Samsung Electronics also  
9 manufactured, distributed and sold FPD Products in the United States during the Class Period.

10                  19.     Defendant Samsung SDI Co., Ltd. ("Samsung SDI"), formerly known as  
11 Samsung Display Device Co., has its global headquarters at Samsung Life Insurance Bldg 150,  
12 Seoul 100-716, Korea. During the Class Period, Samsung SDI manufactured, sold and distributed  
13 CRT Products to customers throughout the United States. Samsung SDI also manufactured,  
14 distributed and sold FPD Products in the United States during the Class Period.

15                  20.     Defendant Samsung Electronics America, Inc. ("Samsung America") is a  
16 New York corporation with its principal place of business at 105 Challenger Road, Ridgefield  
17 Park, New Jersey. Samsung America is a wholly-owned and controlled subsidiary of Defendant  
18 Samsung Electronics Company, Ltd. During the Class Period, Samsung America sold and  
19 distributed CRT Products manufactured by Samsung Electronics Company, Ltd. to customers  
20 throughout the United States. Samsung America also sold and distributed FPD Products in the  
21 United States during the Class Period.

22                  21.     Defendants Samsung Electronics Company, Ltd., Samsung SDI Co., Ltd.,  
23 and Samsung America are referred to collectively herein as "Samsung."

24                   6.       Toshiba

25                  22.     Defendant Toshiba Corporation is a Japanese company with its principal  
26 place of business at 1-1, Shibaura 1-chome, Minato-ku, Tokyo 105-8001, Japan. During the  
27 Class Period, Toshiba Corporation manufactured, sold, and distributed CRT Products to  
28



1 customers throughout the United States. Toshiba Corporation also manufactured, distributed and  
2 sold FPD Products in the United States during the Class Period.

3           23. Defendant Toshiba America Electronics Components, Inc. is a California  
4 corporation with its principal place of business at 19900 MacArthur Boulevard, Suite 400, Irvine,  
5 California. Toshiba America Electronics Components, Inc. is a wholly-owned and controlled  
6 subsidiary of Toshiba America, Inc., a holding company for Defendant Toshiba Corporation.  
7 During the Class Period, Toshiba America Electronics Components, Inc. sold and distributed  
8 CRT Products manufactured by Toshiba Corporation to customers throughout the United States.  
9 Toshiba America Electronic Components also sold and distributed FPD Products manufactured  
10 by Toshiba Corporation in the United States during the Class Period.

11           24. Defendant Toshiba America Information Systems, Inc. is a California  
12 corporation with its principal place of business at 9470 Irvine Blvd., Irvine, California. Toshiba  
13 America Information Systems, Inc. is a wholly-owned and controlled subsidiary of Toshiba  
14 America, Inc., a holding company for Defendant Toshiba Corporation. During the Class Period,  
15 Toshiba America Information Systems, Inc. sold and distributed CRT Products manufactured by  
16 Toshiba Corporation to customers throughout the United States. Toshiba America Information  
17 Systems also sold and distributed FPD Products manufactured by Toshiba Corporation in the  
18 United States during the Class Period.

19           25. Defendants Toshiba Corporation, Toshiba America Electronics  
20 Components, Inc., and Toshiba America Information Systems, Inc. are referred to collectively  
21 herein as "Toshiba."

22           7. Joint Ventures

23           26. Defendant MT Picture Display Company is a wholly-owned and controlled  
24 subsidiary of Defendant Matsushita organized under the laws of Japan with its principal place of  
25 business located at Rivage Shinagawa, 1-8, Konan 4-chome, Minato-ku, Tokyo 108-0075, Japan.  
26 Prior to April 2007, MT Picture Display Company was a joint venture between Matsushita  
27 Electric Industrial Co., Ltd. and Toshiba Corporation named Matsushita Toshiba Picture Display  
28 Co., Ltd.. This joint venture was created in 2003 and integrated the CRTs operations of its



1 parents. During the Class Period, both MT Picture Display and its predecessor Matsushita  
2 Toshiba Picture Display Co., Ltd. sold and distributed CRT Products to customers throughout the  
3 United States.

4 27. Defendants MT Picture Display Corporation of America (New York) and  
5 MT Picture Display Corporation of America (Ohio) were subsidiaries of MT Picture Display  
6 Company. Both subsidiaries were incorporated in Maryland and with their principal place of  
7 business located at 300 East Lombard Street, Baltimore, MD 21202. During the Class Period,  
8 MT Picture Display Corporation of America (New York) and MT Picture Display Corporation of  
9 America (Ohio) sold and distributed CRT Products to customers throughout the United States.

10 28. Defendant LP Displays (formerly known as LG.Philips Display), a joint  
11 venture between LG Electronics and Koninklijke Philips Electronics, is organized under the laws  
12 of Hong Kong with its principal place of business located at Corporate Communications, 6th  
13 Floor, ING Tower, 308 Des Voeux Road Central, Sheung Wan, Hong Kong. During the Class  
14 Period, LP Displays sold and distributed CRT Products to customers throughout the United  
15 States.

16 29. Each defendant committed the acts alleged in this complaint through its  
17 officers, directors, agents, employees, or representatives while they were actively engaged in the  
18 management, direction, control, or transaction of the defendant's business or affairs.

19 30. Defendants' unlawful and intentional concerted actions have severely  
20 damaged and will continue to damage Plaintiffs and the members of the classes they seek to  
21 represent.

#### 22 CO-CONSPIRATORS AND AGENCY

23 31. Defendants, along with certain other persons, firms, corporations and  
24 entities, are co-conspirators in the violations and conspiracies alleged in this Complaint. These  
25 co-conspirators have performed acts and made statements in furtherance of the antitrust violations  
26 and conspiracies alleged herein.

27 32. At all relevant times, each Defendant ratified and/or authorized the  
28 wrongful acts of each of the other Defendants, and each of them, are individually

1 sued as participants and as aiders and abettors in the improper acts, plans, schemes, and  
 2 transactions that are the subject of this Complaint. Defendants, and each of them, participated as  
 3 members of the conspiracy or acted with or in furtherance of it, or aided or assisted in carrying  
 4 out its purposes alleged in this Complaint, and have performed acts and made statements in  
 5 furtherance of the violations and conspiracy.

6 33. At all times, each Defendant was the agent of the other Defendants and in  
 7 committing the violations and conspiracies alleged in this Complaint was acting within the course  
 8 and scope of that agency and with the permission and consent of the principals.

### 9 CLASS ACTION ALLEGATIONS

10 34. Plaintiff brings this action both on behalf of itself and on behalf of the  
 11 following Class pursuant Rules 23(a) and 23(b)(3) of the Federal Rules of Civil Procedure:

12 All persons and entities residing in the United States who, from  
 13 May 1, 1998 through the present, purchased CRT Products in the  
 14 United States directly from the Defendants. Specifically excluded  
 15 from this Class are the Defendants; the officers, directors or  
 16 employees of any Defendant; any entity in which any Defendant  
 has a controlling interest; and any affiliate, legal representative, heir  
 or assign of any Defendant. Also excluded are all governmental  
 entities, and any judicial officer presiding over this action.

17 35. This action has been brought and may be properly maintained as a class  
 18 action pursuant to Rule 23 of the Federal Rules of Civil Procedure for the following reasons:

19 a. The Class is ascertainable and there is a well-defined community of  
 20 interest among the members of the Class;

21 b. Based upon the nature of the trade and commerce involved and the  
 22 number of direct purchasers of CRT Products, Plaintiff believes that the members of the Class  
 23 number in the thousands, and therefore the Class members are sufficiently numerous that joinder  
 24 of all Class members is not practicable;

25 c. Plaintiff's claims are typical of the claims of the members of the  
 26 Class because Plaintiff directly purchased CRT Products from one or more of the Defendants or  
 27 their co-conspirators, and therefore Plaintiff's claims arise from the same common course of  
 28

1 conduct giving rise to the claims of the members of the Class and the relief sought is common to  
2 the Class;

3 d. The following common questions of law or fact, among others,  
4 exist as to the members of the Class:

5 i. whether Defendants formed and operated a combination or conspiracy to  
6 fix, raise, maintain or stabilize the prices of, or allocate the market for, CRT Products;

7 ii. whether Defendants' conduct caused CRT Products prices to be higher  
8 than they would have been in the absence of Defendants' conduct;

9 iii. the duration of Defendants' combination or conspiracy;

10 iv. whether Defendants fraudulently concealed the conspiracy;

11 v. whether Defendants' conduct caused injury to the business or property of  
12 Plaintiff and the members of the Class; and

13 vi. the appropriate measure of the amount of damages suffered by the Class;

14 e. These and other questions of law or fact which are common to the  
15 members of the Class predominate over any questions affecting only individual members of the  
16 Class;

17 f. Plaintiff will fairly and adequately protect the interests of the Class  
18 in that Plaintiff has no interests that are antagonistic to other members of the Class and has  
19 retained counsel competent and experienced in the prosecution of class actions and antitrust  
20 litigation to represent herself and the Class.

21 36. Defendants have acted on grounds that are generally applicable to the  
22 Class, thereby making final injunctive relief appropriate with respect to the Class as a whole.

23 37. This class action is superior to the alternatives, if any, for the fair and  
24 efficient adjudication of this controversy. Prosecution as a class action will avoid repetitious  
25 litigation. There will be no material difficulty in the management of this action as a class action.

26 38. The prosecution of separate actions by individual Class members would  
27 create the risk of inconsistent or varying adjudications, establishing incompatible standards of  
28 conduct for Defendants.

## TRADE AND COMMERCE

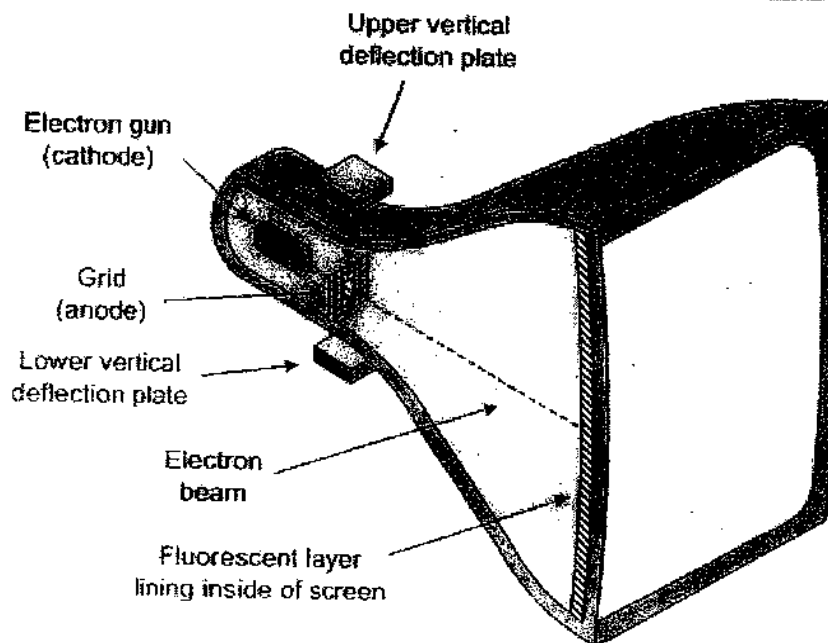
39. During the Class Period, each Defendant, or one or more of its subsidiaries, sold CRT Products in the United States in a continuous and uninterrupted flow of interstate commerce and foreign commerce, including through and into this judicial district.

40. The business activities of the Defendants substantially affected interstate trade and commerce in the United States and caused antitrust injury in the United States.

## FACTUAL ALLEGATIONS

### A. CRT Technology

41. CRT technology has been in use for more than 100 years. The basic cathode-ray tube consists of three elements: the envelope, the electron gun, and the phosphor screen.



Cross-sectional representation of a cathode ray tube

Source: [diycalculator.com](http://diycalculator.com), available at [www.diycalculator.com/sp-console.shtml](http://www.diycalculator.com/sp-console.shtml).

42. CRTs are manufactured in several standard sizes, including 17 inch, 19 inch, 27 inch and 32 inch. CRTs manufactured by Defendants are interchangeable with one another.

B. Trends within the CRT Products Market and Increased Competition from FPD Products

43. The worldwide market for CRT Products is and has been large. In 1997, the worldwide CRTs market exceeded \$24 billion in sales.

44. At the beginning of the Class Period, CRTs were the dominant display technology worldwide. For example, in 1997, 99.3% of all computer monitors sold worldwide contained CRTs. In 2005, approximately 47 million CRT monitors were sold worldwide, and approximately 20.3% of these were sold in the United States.

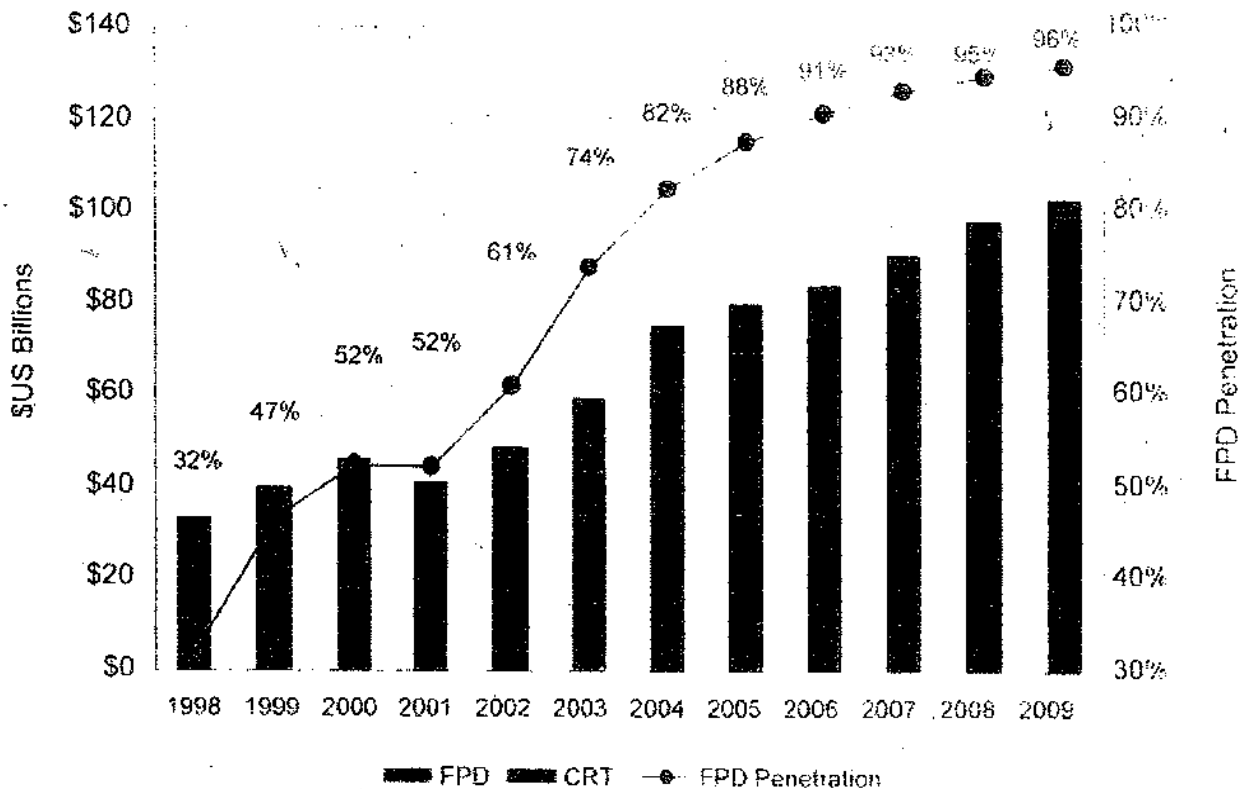
45. Although the value of all display materials shipped worldwide is projected to rise at an average annual growth rate of 12.8% by 2010, worldwide demand for CRT Products is declining overall because of the growing popularity of FPD Products which are being used in place of CRT Products.

(<http://www.bccresearch.com/RepTemplate.cfm?reportID=552&RepDet=HLT&cat=smc&target=repdet..11/13/2007>). CRT Products' share of the market declined precipitously in the United States where FPD Products achieved more rapid market penetration; see ¶ 48 below.

46. FPD Products may be used to produce the same image as CRT Products but also have many important advantages over CRT Products. For example, FPD Products are less bulky, require less energy, are easier to read, and do not flicker.

47. In 1995, recognizing the increasing significance of FPD technologies, Korean manufacturers Samsung and LG Electronics entered the FPD Product market, leading to a surge in FPD Product manufacturing capacity.

48. The market share of CRT Products declined as other newer technologies emerged and were brought to market. As demonstrated in the chart below, by 1998, FPD Products had already achieved 32% of the U.S. market for CRT Products. Penetration by FPD Products is projected to reach 96% by 2009. FPD Products' global penetration has not been as dramatic as it was in the United States due to the continued popularity of lower-priced CRT Products in China, India, and South America.



Source: David Hsieh, *Flat Panel Display Market Outlook*, DisplaySearch Presentation, Nov. 5, 2005.

49. CRT TVs currently account for only a minority share of television set revenues in North America (37.3%), Japan (9.5%) and Europe (31.0%). Naranjo, *The Global Television Market*, DisplaySearch Report, p. 19.

50. During the Class Period, while demand for CRT Products continued to fall in the United States, Defendants' conspiracy was effective in moderating the normal downward pressures on prices for CRT Products caused by the entry of the new generation of competing technologies. Indeed, during the Class Period, there were not only periods of unnatural and sustained price stability, but there were also inexplicable increases in the prices of CRTs, despite declining demand due to approaching obsolescence of CRTs caused by the emergence of a new, superior, substitutable technology.

51. These periods of price stability and price increases for CRTs are fundamentally inconsistent with a competitive market for a product where demand is rapidly decreasing because of the introduction of new superior technologies.



1           C.     Structure of the CRT Product Industry

2           52.     The CRT Product industry is characterized by a number of structural  
3 features that facilitate collusion, including market concentration, the consolidation of  
4 manufacturers, multiple interrelated business relationships, significant barriers to entry, and  
5 interchangeability of products.

6           53.     Defendant Samsung SDI has the largest market share of any CRT Products  
7 manufacturer at this point in time. In 2000, Defendant Samsung SDI had 18% of the global CRTs  
8 market. In 2002, Samsung SDI had 21.8% of the global market for CRT monitors. In 2004,  
9 Samsung SDI had a 30% share of the global CRTs market.

10          54.     Defendant LP Displays (formerly LG.Philips Displays) has the second  
11 largest share of the CRTs market. In 2004, LG.Philips Displays held 27% of the global market for  
12 CRT.

13          55.     Defendant MT Picture Display (formerly Matsushita Toshiba Display Co.)  
14 is also a major player in the CRTs market. In 2004, Matsushita Toshiba Picture Display Co. held  
15 9% of the global market for CRTs.

16          56.     Defendant Chunghwa Picture Tubes held 21.7% of the global CRTs market  
17 in 1999.

18          57.     In 2004, Defendants Samsung SDI, LP Displays, MT Picture Display, and  
19 Chunghwa Picture Tubes maintained a collective 78% of the global CRTs market.

20          58.     The market for CRT Products is subject to high manufacturing and  
21 technological barriers to entry. Efficient fabrication plants are large and costly and require years  
22 of research, development and construction. Technological advances have caused Defendants to  
23 undertake significant research and development expenses.

24          59.     The CRT Products market has also been subject to substantial  
25 consolidation and multiple interrelated business relationships during the Class Period. Matsushita  
26 Electric Industrial Co., Ltd. and Toshiba Corporation combined their efforts by forming  
27 Defendant MT Picture Display Company. At the time of the formation of MT Picture Display  
28 Company, Matsushita and Toshiba had been the fourth and sixth largest CRT manufacturers in

1 the world. This joint venture combined the entire CRT operations of both parent companies. MT  
 2 Picture Display Company specialized in the manufacture of CRTs above 30 inches, supplying  
 3 some 950,000 units annually to the North American market.

4 60. In November 2000, Defendants LG Electronics and Koninklijke Philips  
 5 Electronics agreed to enter a 50/50 joint venture that merged their CRT operations. The resulting  
 6 joint venture, originally named LG.Philips Displays, and renamed LP Displays in 2007, entered  
 7 the market with a 25% share, making it the second largest CRTs manufacturer only behind  
 8 Samsung SDI at the time.

9 61. In 2005, Samsung SDI and LG.Philips Displays entered into an agreement  
 10 to share parts with respect to CRTs in an effort to boost their combined market share.

11 62. Defendants sell their CRT Products through various channels, including to  
 12 manufacturers of electronic products and devices, and to resellers of CRT Products, and  
 13 incorporate CRTs into their own manufactured products, which are then sold directly to  
 14 consumers.

15 **D. International Antitrust Investigations**

16 63. Competition authorities in the United States, Europe, Japan and South  
 17 Korea recently engaged in coordinated actions, including raids, targeting the unlawful CRT  
 18 Products cartel alleged in this Complaint. On November 9, 2007, the Reuters news agency  
 19 reported:

20 Antitrust authorities in Europe and Asia raided a  
 21 Matsushita Electric Industrial Co. Ltd. unit and other cathode ray  
 22 tube makers on suspicion of price fixing, weighing on the share of  
 the Panasonic maker.

23 \* \* \*

24 Matsushita confirmed Japan's Fair Trade Commission  
 25 (FTC) had begun a probe of its cathode ray tube unit. MT Picture  
 26 Display Co. Ltd., while Samsung SDI Co. Ltd. said South Korea's  
 FTC had started an investigation into its CRT business.

27 ([www.reuters.com/article/mergersNews/idUSL0890850720071109](http://www.reuters.com/article/mergersNews/idUSL0890850720071109)).

1           64. On November 9, 2007, the European Commission confirmed in Brussels  
2 that "on November 8 Commission officials carried out unannounced inspections at the premises  
3 of manufacturers of cathode ray tubes." The European Commission's announcement continued.  
4 stating, "The Commission has reason to believe that the companies concerned may have violated  
5 EC Treaty rules on cartels and restrictive business practices."

6           65. On November 12, 2007, Chunghwa Picture Tubes, Ltd. confirmed that it  
7 had received a subpoena from a California district court relating to CRTs. A federal grand jury  
8 operating under the auspices of the United States Department of Justice, Antitrust Division  
9 ("DOJ") through its San Francisco office issued the subpoena.

10           66. On November 21, 2007, Koninklijke Philips Electronics, N.V. reported that  
11 it and its joint venture with LG Electronics, LP Displays, are also targets of the coordinated  
12 investigation into collusive practices and other antitrust violations in the CRTs market.

13           67. The Defendants include known recidivist antitrust violators. Samsung, for  
14 example, was fined \$300 million by the DOJ in October 2005 for participating in a conspiracy to  
15 fix prices for Dynamic Random Access Memory. It is also under investigation by the DOJ (along  
16 with some of the other Defendants, including Toshiba) for fixing prices of Static Random Access  
17 Memory. Samsung and Toshiba are also being investigated for collusion among manufacturers of  
18 NAND flash memory.

19           68. Several Defendants, including Samsung and a joint venture between LG  
20 Electronics and Koninklijke Philips Electronics, are targets of a coordinated investigation by the  
21 DOJ and antitrust authorities in Europe, Japan and South Korea in connection with  
22 anticompetitive conduct in the market for LCD Products. Because LCD Products and CRT  
23 Products are used in the same primary applications, collusion with respect to CRT Product prices  
24 would bolster these same Defendants' LCD pricing cartel. Keeping CRTs prices artificially  
25 inflated also would serve both to increase profits on remaining CRTs sales while protecting LCD  
26 prices.

### FRAUDULENT CONCEALMENT

69. Plaintiff and members of the Class did not discover and could not discover through the exercise of reasonable diligence the existence of the conspiracy alleged herein any earlier than November 9, 2007 when it was first publicly reported that manufacturers of CRT Products were under investigation by antitrust authorities in Europe, Japan, and South Korea for conspiring to fix the prices of CRT Products.

70. Because Defendants' agreements, understandings, and conspiracies were kept secret until November 9, 2007, Plaintiff and members of the Class before that time were unaware of Defendants' unlawful conduct alleged herein, and they did not know before that time they were paying artificially high prices for CRT Products throughout the United States during the Class Period.

71. The affirmative acts of the Defendants alleged herein, including acts in furtherance of the conspiracy, were wrongfully concealed and carried out in a manner that precluded detection.

72. By its very nature, Defendants' price fixing conspiracy was inherently self-concealing. The CRT industry is not exempt from antitrust regulation, and thus, before November 9, 2007, Plaintiff reasonably considered it to be a well-regulated competitive industry.

73. In the context of the circumstances surrounding Defendants' pricing practices, Defendants' acts of concealment were more than sufficient to preclude suspicion by a reasonable person that Defendants' pricing was collusive and conspiratorial. Accordingly, a reasonable person under the circumstances would not have been alerted to investigate the legitimacy of Defendants' prices before November 9, 2007.

74. Plaintiff and members of the Class could not have discovered the alleged contract, conspiracy, or combination at an earlier date by the exercise of reasonable diligence because of the deceptive practices and techniques of secrecy employed by the Defendants and their co-conspirators to avoid detection of, and fraudulently conceal, their contract, combination, or conspiracy.

75. Because the alleged conspiracy was both self-concealing and affirmatively concealed by Defendants and their co-conspirators, Plaintiff and members of the Class had no knowledge of the alleged conspiracy, or of any facts of information that would have caused a reasonably diligent person to investigate whether a conspiracy existed, until November 9, 2007, when reports of the investigations into price fixing in the CRT industry were first publicly disseminated.

76. None of the facts or information available to Plaintiff and members of the Class prior to November 9, 2007, if investigated with reasonable diligence, could or would have led to the discovery of the conspiracy alleged herein prior to November 9, 2007.

77. As a result of the self-concealing nature of the conspiracy and the active concealment of the conspiracy by Defendants and their co-conspirators, any and all applicable statutes of limitations otherwise applicable to the allegations herein have been tolled.

**CLAIM FOR RELIEF**  
(Violation of Section 1 of the Sherman Act, 15 U.S.C. § 1)

78. Plaintiff, on behalf of itself and all others similarly situated, realleges and incorporates, as if fully alleged herein, each of the allegations contained in the preceding paragraphs of this Complaint, and further alleges against Defendants as follows.

79. Beginning at least as early as May 1, 1998 and continuing through the present, the exact dates being unknown to Plaintiff, Defendants and various co-conspirators entered into and engaged in a continuing agreement, contract, combination, and conspiracy to fix, raise, maintain, or stabilize the price for CRT Products in unreasonable restraint of trade and commerce in violation of Section 1 of the Sherman Act, 15 U.S.C. § 1.

80. Defendants, through their officers, directors and employees, entered into the contract, combination, trust and conspiracy among themselves and their co-conspirators by, among other things:

a. participating in communications, including discussions of the prices of CRT Products in the United States;

b. agreeing, during those communications, to charge prices at specified levels and otherwise to increase, stabilize and maintain prices of CRT Products sold in the United States; and

c. selling CRT Products to various customers in the United States at artificially inflated prices.

81. For the purpose of forming and implementing the alleged combinations, agreements, understandings and concert of action, Defendants and their co-conspirators did those things they conspired to do, including but not limited to the acts alleged above, including actions to fix, raise, maintain and stabilize the price of CRT Products.

82. Defendants have participated in one or more overt acts in furtherance of the conspiracy alleged above, and have participated in the conspiratorial activities described above.

83. The combination and conspiracy alleged herein has had the following effects, among others:

a. Price competition in the sale of CRT Products has been restrained, suppressed and/or eliminated throughout the United States;

b. Prices for CRT Products sold by Defendants and their co-conspirators have been fixed, raised, maintained and stabilized at artificially high, non-competitive levels throughout the United States; and

c. Plaintiff and members of the Class have been deprived of the benefits of free and open competition.

84. As a direct and proximate result of the Defendants' unlawful conduct, Plaintiff and the members of the Class have been injured in their business and property in that they paid more for CRT Products than they otherwise would have paid in the absence of Defendants' unlawful conduct.

#### PRAYER FOR RELIEF

WHEREFORE, Plaintiff prays:

A. That the Court determine that the claim alleged herein under the Sherman Act, 15 U.S.C. § 1, may be maintained as a class action under Rule 23(a) and (b)(3) of the Federal



1 Rules of Civil Procedure;

2 B. That the unlawful conduct, contract, conspiracy or combination alleged  
3 herein be adjudged and decreed to be a violation of Section 1 of the Sherman Act, 15 U.S.C. § 1;

4 C. That Plaintiff and the Class recover damages, as provided law, and that a  
5 joint and several judgment in favor of Plaintiff and the Class be entered against the Defendants in  
6 an amount to be trebled in accordance with applicable laws;

7 D. That Defendants, their subsidiaries, affiliates, successors, transferees,  
8 assignees and their respective officers, directors, partners, principals, agents and employees  
9 thereof, be enjoined and restrained from continuing and maintaining the combination, conspiracy  
10 or agreement alleged herein;

11 E. That Plaintiff and members of the Class be awarded pre- and post-  
12 judgment interest, and that that interest be awarded at the highest legal rate from and after the  
13 date of service of the initial complaint in this action;

14 F. That Plaintiff and members of the Class recover their costs of this suit,  
15 including reasonable attorneys' fees as provided by law; and

16 G. That Plaintiff and members of the Class receive an award for such other  
17 and further relief as the nature of the case may require or as the Court deems just, equitable, and  
18 proper.

19 Dated: November 27 2007

LIEFF, CABRASER, HEIMANN & BERNSTEIN, LLP

20  
21 By: 

Joseph R. Saveri

23 Richard M. Heimann (State Bar No. 063607)  
rheimann@lchb.com

24 Joseph R. Saveri (State Bar No. 130064)  
jsaveri@lchb.com

25 Eric B. Fastiff (State Bar No. 182260)  
efastiff@lchb.com

26 275 Battery Street, 30th Floor  
San Francisco, CA 94111-3339

27 Telephone: (415) 956-1000

28 Facsimile: (415) 956-1008

1 BERGER & MONTAGUE, P.C.  
2

3 By: *H. Laddie Montague, Jr.*  
4 H. Laddie Montague, Jr.

5 H. Laddie Montague, Jr.

6 *hlmontague@bm.net*

7 Ruthanne Gordon

8 *rgordon@bm.net*

9 Candice Enders

10 *cenders@bm.net*

11 BERGER & MONTAGUE, P.C.

12 1622 Locust Street

13 Philadelphia, PA 19103

14 Telephone: (215) 875-3000

15 Facsimile: (215) 875-4604

16 *Attorneys for Plaintiff and the Proposed Class*  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

DEMAND FOR JURY TRIAL

Plaintiff demands a trial by jury for all issues so triable.

Dated: November 27 2007

LIEFF, CABRASER, HEIMANN & BERNSTEIN, LLP

By:

  
Joseph R. Saveri

Richard M. Heimann (State Bar No. 063607)

*rheimann@lchb.com*

Joseph R. Saveri (State Bar No. 130064)

*jsaveri@lchb.com*

Eric B. Fastiff (State Bar No. 182260)

*efastiff@lchb.com*

275 Battery Street, 30th Floor

San Francisco, CA 94111-3339

Telephone: (415) 956-1000

Facsimile: (415) 956-1008

BERGER & MONTAGUE, P.C.

By:

  
H. Laddie Montague, Jr.

H. Laddie Montague, Jr.

*hlmontague@bm.net*

Ruthanne Gordon

*rgordon@bm.net*

Candice Enders

*cenders@bm.net*

1622 Locust Street

Philadelphia, PA 19103

Telephone: (215) 875-3000

Facsimile: (215) 875-4604

*Attorneys for Plaintiff and the Proposed Class*

United States District Court  
NORTHERN DISTRICT OF CALIFORNIA

ORIGINAL

NATHAN MUCHNICK, INC., on behalf of itself  
and all others similarly situated

SUMMONS IN A CIVIL CASE

CASE NUMBER:

MEJ

v.

CV 07 5981

See attached

TO: (Name and address of defendant)

See attached

**YOU ARE HEREBY SUMMONED** and required to serve upon PLAINTIFF'S ATTORNEY (name and address)

Joseph R. Saveri (State Bar No. 130064)  
LIEFF, CABRASER, HEIMANN & BERNSTEIN, LLP  
275 Battery Street, 30th Floor  
San Francisco, CA 94111-3339  
Telephone: (415) 956-1000

an answer to the complaint which is herewith served upon you, within 20 days after service of this summons upon you, exclusive of the day of service. If you fail to do so, judgement by default will be taken against you for the relief demanded in the complaint. You must also file your answer with the Clerk of this Court within a reasonable period of time after service.

Richard W. Wieking

CLERK

Helen L. Almacen

(BY) DEPUTY CLERK

NOV 27 2007

DATE

**RETURN OF SERVICE**

DATE

Service of the Summons and Complaint was made by me <sup>1</sup>

Name of SERVER

TITLE

*Check one box below to indicate appropriate method of service*

- ☐ Served Personally upon the Defendant. Place where served:
- ☐ Left copies thereof at the defendant's dwelling house or usual place of abode with a person of suitable age and discretion then residing therein.  
Name of person with whom the summons and complaint were left:
- ☐ Returned unexecuted:
- ☐ Other (specify):

**STATEMENT OF SERVICE FEES**

TRAVEL

SERVICES

TOTAL

**DECLARATION OF SERVER**

I declare under penalty of perjury under the laws of the United States of America that the foregoing information contained in the Return of Service and Statement of Service Fees is true and correct.

Executed on

Date

Signature of Server

Address of Server

(1) As to who may serve a summons see Rule 4 of the Federal Rules of Civil Procedure

**ATTACHMENT TO SUMMONS**

**Case:**

NATHAN MUCHNICK, INC., on behalf of itself and all others similarly situated

v.

CHUNGHWA PICTURE TUBES, LTD.;

TATUNG COMPANY OF AMERICA, INC.;

LG ELECTRONICS, INC.;

LG PHILIPS DISPLAY USA, INC.;

MATSUSHITA ELECTRIC INDUSTRIAL CO., LTD.;

PANASONIC CORPORATION OF NORTH AMERICA;

KONINKLIJKE PHILIPS ELECTRONICS N.V.;

PHILIPS ELECTRONICS NORTH AMERICA CORPORATION;

SAMSUNG ELECTRONICS CO., LTD.;

SAMSUNG ELECTRONICS AMERICA, INC.;

SAMSUNG SDI CO., LTD. f/k/a SAMSUNG DISPLAY DEVICE CO.;

TOSHIBA CORPORATION;

TOSHIBA AMERICA ELECTRONICS COMPONENTS, INC.;

TOSHIBA AMERICA INFORMATION SYSTEMS, INC.;

MT PICTURE DISPLAY COMPANY;

MT PICTURE DISPLAY CORPORATION OF AMERICA (New York);

MT PICTURE DISPLAY CORPORATION OF AMERICA (Ohio); and

LP DISPLAYS



CV 07

5981

MEJ

## **U.S. District Court Northern California**

### **ECF Registration Information Handout**

The case you are participating in has been designated for this court's Electronic Case Filing (ECF) Program, pursuant to Civil Local Rule 5-4 and General Order 45. This means that you **must** (check off the boxes ☒ when done):

- ☐ **1) Serve this ECF Registration Information Handout on all parties in the case along with the complaint, or for removals, the removal notice. DO NOT serve the efiler application form, just this handout.**

Each attorney representing a party must also:

- ☐ **2) Register** to become an efiler by filling out the efiler application form. Follow ALL the instructions on the form carefully. If you are already registered in this district, do not register again, your registration is valid for life on all ECF cases in this district.
- ☐ **3) Email** (do not efile) the complaint and, for removals, the removal notice and all attachments, in PDF format within ten business days, following the instructions below. You do not need to wait for your registration to be completed to email the court.
- ☐ **4) Access** dockets and documents using **PACER** (Public Access to Court Electronic Records). If your firm already has a PACER account, please use that - it is not necessary to have an individual account. PACER registration is free. If you need to establish or check on an account, visit: <http://pacer.psc.uscourts.gov> or call (800) 676-6856.

BY SIGNING AND SUBMITTING TO THE COURT A REQUEST FOR AN ECF USER ID AND PASSWORD, YOU CONSENT TO ENTRY OF YOUR E-MAIL ADDRESS INTO THE COURT'S ELECTRONIC SERVICE REGISTRY FOR ELECTRONIC SERVICE ON YOU OF ALL E-FILED PAPERS, PURSUANT TO RULES 77 and 5(b)(2)(D) (eff. 12.1.01) OF THE FEDERAL RULES OF CIVIL PROCEDURE.

**All subsequent papers submitted by attorneys in this case shall be filed electronically. Unrepresented litigants must file and serve in paper form, unless prior leave to file electronically is obtained from the assigned judge.**

ECF registration forms, interactive tutorials and complete instructions for efilng may be found on the ECF website: <http://ecf.cand.uscourts.gov>

**Submitting Initiating Documents**

PDF versions of all the initiating documents originally submitted to the court (Complaint or Notice of Removal, exhibits, etc.) must be **emailed (not efiled)** to the **PDF email box for the presiding judge** (not the referring judge, if there is one) **within 10 (ten) business days** of the opening of your case. For a complete list of the email addresses, please go to: <http://ecf.cand.uscourts.gov> and click on **[Judges]**.

You must include the case number and judge's initials in the subject line of all relevant emails to the court. You do not need to wait for your registration to email these documents.

These documents must be emailed instead of e-filed to prevent duplicate entries in the ECF system. All other documents must be e-filed from then on. You do not need to efile or email the Civil Cover Sheet, Summons, or any documents issued by the court at case opening; note that you do need to efile the Summons Returned.

**Converting Documents to PDF**

Conversion of a word processing document to a PDF file is required before any documents may be submitted to the Court's electronic filing system. Instructions for creating PDF files can be found at the ECF web site: <http://ecf.cand.uscourts.gov>, and click on **[FAQ]**.

**Email Guidelines:** When sending an email to the court, the subject line of the email **must** contain the **case number**, **judge's initials** and the **type of document(s)** you are sending, and/or the topic of the email.

**Examples:** The examples below assume your case number is 03-09999 before the Honorable Charles R. Breyer:

Type of Document	Email Subject Line Text
Complaint Only	03-09999 CRB Complaint
Complaint and Notice of Related Case	03-09999 CRB Complaint, Related Case
Complaint and Motion for Temporary Restraining Order	03-09999 CRB Complaint, TRO

**Questions**

Almost all questions can be answered in our FAQs at <http://ecf.cand.uscourts.gov>, please check them first.

You may also email the ECF Help Desk at [ECFhelpdesk@cand.uscourts.gov](mailto:ECFhelpdesk@cand.uscourts.gov) or call the toll-free ECF Help Desk number at: (866) 638-7829.

The ECF Help Desk is staffed Mondays through Fridays from 9:00am to 4:00pm Pacific time, excluding court holidays.

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA

NATHAN MUCHNICK INC,

Plaintiff (s),

v.

CHUNGHWA PICTURE TUBES,  
Defendant(s).

No. C 07-05981 MEJ

**ORDER SETTING INITIAL CASE  
MANAGEMENT CONFERENCE  
AND ADR DEADLINES**

IT IS HEREBY ORDERED that this action is assigned to the Honorable Maria-Elena James. When serving the complaint or notice of removal, the plaintiff or removing defendant must serve on all other parties a copy of this order, the Notice of Assignment of Case to a United States Magistrate Judge for Trial, and all other documents specified in Civil Local Rule 4-2. Counsel must comply with the case schedule listed below unless the Court otherwise orders.

IT IS FURTHER ORDERED that this action is assigned to the Alternative Dispute Resolution (ADR) Multi-Option Program governed by ADR Local Rule 3. Counsel and clients shall familiarize themselves with that rule and with the material entitled "Dispute Resolution Procedures in the Northern District of California" on the Court ADR Internet site at [www.adr.cand.uscourts.gov](http://www.adr.cand.uscourts.gov). A limited number of printed copies are available from the Clerk's Office for parties in cases not subject to the court's Electronic Case Filing program (ECF).

**CASE SCHEDULE -ADR MULTI-OPTION PROGRAM**

Date	Event	Governing Rule
11/27/2007	Complaint filed	
2/7/2008	*Last day to: <ul style="list-style-type: none"> <li>meet and confer re: initial disclosures, early settlement, ADR process selection, and discovery plan</li> <li>file Joint ADR Certification with Stipulation to ADR Process or Notice of Need for ADR Phone Conference</li> </ul>	<u>FRCivP 26(f) &amp; ADR L.R.3-5</u>  <u>Civil L.R. 16-8</u>
2/21/2008	*Last day to file Rule 26(f) Report, complete initial disclosures or state objection in Rule 26(f) Report and file Case Management Statement per attached Standing Order re Contents of Joint Case Management Statement (also available at <a href="http://www.cand.uscourts.gov">http://www.cand.uscourts.gov</a> )	<u>FRCivP 26(a) (1)</u> <u>Civil L.R. 16-9</u>
2/28/2008	INITIAL CASE MANAGEMENT CONFERENCE (CMC) in Ctrm. B, 15th Floor, SF at 10:00 AM	<u>Civil L.R. 16-10</u>

\* If the Initial Case Management Conference is continued, the other deadlines are continued accordingly.

# **EXHIBIT B**

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA

RELATED CASE ORDER

A Motion for Administrative Relief to Consider Whether Cases Should be Related or a *Sua Sponte* Judicial Referral for Purpose of Determining Relationship (Civil L.R. 3-12) has been filed. The time for filing an opposition or statement of support has passed. As the judge assigned to the earliest filed case below that bears my initials, I find that the more recently filed case(s) that I have initialed below are related to the case assigned to me, and such case(s) shall be reassigned to me. Any cases listed below that are not related to the case assigned to me are referred to the judge assigned to the next-earliest filed case for a related case determination.

C 07-05944 SC      Crago, Inc. v. Chunghwa Picture Tubes, LTD. et al

C 07-05981 MEJ      Nathan Muchnick, Inc. v. Chunghwa Picture Tubes Ltd. et al

I find that the above case is related to the case assigned to me. SC

ORDER

Counsel are instructed that all future filings in any reassigned case are to bear the initials of the newly assigned judge immediately after the case number. Any case management conference in any reassigned case will be rescheduled by the Court. The parties shall adjust the dates for the conference, disclosures and report required by FRCivP 16 and 26 accordingly. Unless otherwise ordered, any dates for hearing noticed motions are vacated and must be re-noticed by the moving party before the newly assigned judge; any deadlines set by the ADR Local Rules remain in effect; and any deadlines established in a case management order continue to govern, except dates for appearance in court, which will be rescheduled by the newly assigned judge.

Dated: 12/5/07



Judge Samuel Conti



# **EXHIBIT C**

1 UNITED STATES DISTRICT COURT  
 2 NORTHERN DISTRICT OF CALIFORNIA  
 3

4 CASE NO. \_\_\_\_\_

5 ORDER SETTING CASE MANAGEMENT CONFERENCE

6 This action having been assigned to Judge Samuel Conti,  
 7 IT IS ORDERED that a conference will be held before Judge  
 8 Conti on \_\_\_\_\_ at 10:00 A.M. in the United  
 9 States Courthouse, 450 Golden Gate Avenue, San Francisco,  
 10 California.

11 The parties shall appear in person or through counsel and  
 12 shall be prepared to discuss the future course of the  
 13 litigation including, but not limited to, matters set forth  
 14 in Civil Local Rule 16-10. Parties are to file a written case  
 15 management statement at least 10 days before said hearing date.

16 The parties are required to comply with the provisions  
 17 of Federal Rule of Civil Procedure 26, Civil Local Rules 16-3 to  
 18 16-10 (patent cases should comply with Patent Local Rule),  
 19 including, but not limited to, the following requirements:

- 20 1. The parties must meet and confer no less than 21  
 21 days prior to the initial case management  
 22 conference.
- 23 2. The parties must devise a discovery plan and submit  
 24 it, jointly, no less than 7 days prior to the  
 25 case management conference. The parties shall  
 submit a proposed order embodying the terms of the  
 discovery plan at the status conference.
- 26 3. At the "meet and confer" conference referenced in  
 27 paragraph 1, above, the parties shall discuss  
 28 whether and to what extent they shall make the  
 kinds of "disclosures" contemplated in Federal Rules  
 of Civil Procedure. The parties shall report to the

1 Court the results of this discussion in their case  
2 management conference statement.

3 Following the conference, appropriate orders will be  
4 entered regulating and controlling future proceedings in the case.

5 PLAINTIFF IS DIRECTED TO SERVE COPIES OF THIS ORDER AT  
6 ONCE UPON ALL PARTIES TO THIS ACTION AND UPON THOSE  
7 SUBSEQUENTLY JOINED IN ACCORDANCE WITH THE PROVISIONS OF RULES 4  
8 AND 5, FEDERAL RULES OF CIVIL PROCEDURE, and to file with the  
9 Clerk of the Court a certificate reflecting such service.

10 FOR THE COURT:

11 Richard W. Wieking, Clerk

12 By: \_\_\_\_\_

13 Deputy Clerk  
14  
15  
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23

24 IMPORTANT:

25 SEE ATTACHED ORDER RE TIMELY FILING OF PLEADINGS, BRIEFS, AND  
26 MOTIONS CALENDAR AND ELECTRONIC CASE FILING:

27 Judge Conti's Law and Motion Calendar  
28 is held at 10:00 A.M., Fridays.

1 NOTICE TO ALL ATTORNEYS:

2 ORDER RE TIMELY FILING OF PLEADINGS, BRIEFS, MOTIONS, ETC.

3 It has been noted by the court that many attorneys are not  
4 filing their pleadings and briefs within the time specified in the  
5 Local Rules, nor in the manner or form required. Specifically,  
6 many attorneys have filed briefs and memoranda in excess of  
7 twenty-five (25) pages, without leave of court. Said practice  
8 violates Civil Local Rule 7-4(b).

9 By addressing this order to you, the court does not infer  
10 that you or any member of your firm adheres to this practice, but  
11 rather seeks to put all attorneys on notice.

12 Any pleading or brief hereafter sought to be filed with the  
13 court after the required time, or in an improper manner or form,  
14 shall not be received or considered by the court. Any attorney in  
15 violation of these requirements will be subject to other sanctions  
16 pursuant to Civil Local Rule 1-4.

17 RE ELECTRONIC CASE FILING: In all cases that have been assigned  
18 to the Electronic Case Filing System, the parties are required to  
19 provide one paper copy of each document that is filed electroni-  
20 cally for use in chambers. The paper copy of each document shall  
21 be delivered no later than noon on the day after the document is  
22 filed electronically. Delivery shall be made directly to Judge  
23 Conti's chambers.

24 RE MOTIONS: All pleadings relating to all motions should be  
25 complete as to briefing and argument, as the court will decide the  
26 issues therein without oral argument, unless otherwise ordered by  
27 the Judge. When this occurs, the court will notify the parties  
28 that they need to appear. (Civil Local Rule 7-6)

**STANDING ORDER FOR ALL JUDGES OF THE NORTHERN DISTRICT OF  
CALIFORNIA**

**CONTENTS OF JOINT CASE MANAGEMENT STATEMENT**

Commencing March 1, 2007, all judges of the Northern District of California will require the identical information in Joint Case Management Statements filed pursuant to Civil Local Rule 16-9. The parties must include the following information in their statement which, except in unusually complex cases, should not exceed ten pages:

1. Jurisdiction and Service: The basis for the court's subject matter jurisdiction over plaintiff's claims and defendant's counterclaims, whether any issues exist regarding personal jurisdiction or venue, whether any parties remain to be served, and, if any parties remain to be served, a proposed deadline for service.
2. Facts: A brief chronology of the facts and a statement of the principal factual issues in dispute.
3. Legal Issues: A brief statement, without extended legal argument, of the disputed points of law, including reference to specific statutes and decisions.
4. Motions: All prior and pending motions, their current status, and any anticipated motions.
5. Amendment of Pleadings: The extent to which parties, claims, or defenses are expected to be added or dismissed and a proposed deadline for amending the pleadings.
6. Evidence Preservation: Steps taken to preserve evidence relevant to the issues reasonably evident in this action, including interdiction of any document-destruction program and any ongoing erasures of e-mails, voice mails, and other electronically-recorded material.
7. Disclosures: Whether there has been full and timely compliance with the initial disclosure requirements of Fed. R. Civ. P. 26 and a description of the disclosures made.
8. Discovery: Discovery taken to date, if any, the scope of anticipated discovery, any proposed limitations or modifications of the discovery rules, and a proposed discovery plan pursuant to Fed. R. Civ. P. 26(f).
9. Class Actions: If a class action, a proposal for how and when the class will be certified.
10. Related Cases: Any related cases or proceedings pending before another judge of this court, or before another court or administrative body.
11. Relief: All relief sought through complaint or counterclaim, including the amount of any

damages sought and a description of the bases on which damages are calculated. In addition, any party from whom damages are sought must describe the bases on which it contends damages should be calculated if liability is established.

12. Settlement and ADR: Prospects for settlement, ADR efforts to date, and a specific ADR plan for the case, including compliance with ADR L.R. 3-5 and a description of key discovery or motions necessary to position the parties to negotiate a resolution.
13. Consent to Magistrate Judge For All Purposes: Whether all parties will consent to have a magistrate judge conduct all further proceedings including trial and entry of judgment.
14. Other References: Whether the case is suitable for reference to binding arbitration, a special master, or the Judicial Panel on Multidistrict Litigation.
15. Narrowing of Issues: Issues that can be narrowed by agreement or by motion, suggestions to expedite the presentation of evidence at trial (e.g., through summaries or stipulated facts), and any request to bifurcate issues, claims, or defenses.
16. Expedited Schedule: Whether this is the type of case that can be handled on an expedited basis with streamlined procedures.
17. Scheduling: Proposed dates for designation of experts, discovery cutoff, hearing of dispositive motions, pretrial conference and trial.
18. Trial: Whether the case will be tried to a jury or to the court and the expected length of the trial.
19. Disclosure of Non-party Interested Entities or Persons: Whether each party has filed the "Certification of Interested Entities or Persons" required by Civil Local Rule 3-16. In addition, each party must restate in the case management statement the contents of its certification by identifying any persons, firms, partnerships, corporations (including parent corporations) or other entities known by the party to have either: (i) a financial interest in the subject matter in controversy or in a party to the proceeding; or (ii) any other kind of interest that could be substantially affected by the outcome of the proceeding.
20. Such other matters as may facilitate the just, speedy and inexpensive disposition of this matter.

# **EXHIBIT D**



**LEGAL LANGUAGE SERVICES**

A division of ALS International  
8014 State Line Road  
Suite 110  
Leawood, KS 66208-3712

Telephone (913) 341-3167  
Toll Free (800) 755-5775  
Telefax (913) 341-3168  
www.legallanguage.com

December 14, 2007

Andrew Kingsdale  
LIEFF, CABRASER, HEIMANN & BERNSTEIN, LLP  
Embarcadero Center West  
275 Battery St., 28<sup>th</sup> Floor  
San Francisco, CA 94111

**Re: International Service of Process in Taiwan – REVISED BID LETTER**

Dear Andrew:

It was a pleasure speaking with you about your project and I look forward to working with you in the future. There is currently no treaty in force between the U.S. and Taiwan regulating international judicial assistance. In the absence of such a treaty, US Federal and State Rules generally permit litigants to effect service of process by agent or by letter rogatory. The fees for these options are as follows:

Method #1: Service through Letters Rogatory (estimated turnaround time: 4 to 7+ months)			
	Procedure	Fees	Comments
X	<b>Mandatory:</b> Translation of Letter Rogatory into Chinese; transmission through diplomatic pouch to Taiwanese judicial authorities	\$2,180 (first defendant) \$1,235 (each additional defendant)	constitutes a method of international service of process recognized by both Taiwanese and U.S. law; enforcement of ensuing judgment more likely but not guaranteed
X	<b>Mandatory:</b> Translation and legal certification of documents to be served (based on documents received 12/12/07)	\$2,065 + \$25 per certified copy (one certified copy per defendant required)	Taiwanese law stipulates that all documents to be served must be translated into the Chinese language
	<b>Optional:</b> Affidavit	\$150/hr	if required by US court with respect to extensions, methods of service, etc.
X	<b>Optional but recommended:</b> FedEx service	(billed directly to your account)	
	<b>Optional:</b> Periodic follow up with foreign judiciary	\$175/hour	Includes fees for interpreter and all long distance charges; please specify cap on hrs/per month
	<b>Mandatory:</b> Translation and certification of proof of service as returned by Taiwanese Court	\$150 and up	Cost dependant upon length of proof of service
	<b>Total fees for 1 defendant</b>		<b>\$4,270</b>

Method #2: Personal Service through an Attorney or Agent in Taiwan (estimated turnaround time: 2 to 6 weeks)		
Procedure	Fee	Comments
LLS' counsel in Taiwan effects service	\$3,500 per defendant (may vary depending upon location and number of attempts)	Service method not illegal under Taiwan law but not recognized by it, therefore enforcement fraught with problems; recommend use to satisfy U.S. requirements only
<b>Recommended:</b> Translation of documents to be served (based upon documents received 11/30/07)	\$2,065 + \$25 per certified copy (one certified copy per defendant required)	May be required to meet U.S. due process rules
<b>Total for 1 defendant</b>	<b>\$5,590</b>	

**Preparation of Letters Rogatory.** A Letter Rogatory is a Letter from a US court which requests judicial assistance from a foreign court. Private parties may not issue Letters Rogatory. LLS staff will draft the Letter Rogatory as well as an Application to the US Court to issue the Letter, and forward these to you for your review. After you have approved the language used, you must sign and date the draft copy and return it to LLS. Our staff will then translate all documentation and forward two sets to you to present to the US court for execution. Please note that LLS *requires a complete street address* (Fedex address) *for the court* in which your case is pending. Once executed, the Letter will be forwarded by diplomatic pouch to Taipei where it will be presented to the Taiwanese judicial authorities for processing.

**Turnaround Times.** All turnaround times are approximate and are based on anecdotal information from the U.S. Department of Justice as well as LLS' own experience in the field. Please understand that LLS cannot be held responsible for delays which may be incurred by government agencies through whom we need to work in order to effect proper service.

**Translation.** Note that, in general, the summons and complaint should be translated into Chinese in order to comport with U.S. due process requirements; this is true irrespective of the method of service you intend to pursue. Translation requirements under Method #2 (service through an attorney or agent) may be waived *only* if plaintiff can prove, before a court of law, that the recipient understands or routinely does business in English. Translation requirements may not be waived under any circumstances if plaintiff intends to pursue Letters Rogatory (Method #1).

**Proof of Service.** Once service has been effected, proof of service will be returned directly to the Clerk of the Court where your case is pending. This will be in Chinese and should be forwarded to LLS for translation and certification before being filed with the court.

Throughout this process, LLS will be checking on the status of your service and keeping you informed. Please understand however, that LLS cannot *guarantee* the performance of foreign bureaucrats. Please be aware that service of process under any of the methods described does not commit the State of Destination to recognize or enforce any ensuing judgment that may be rendered by a U.S. court. If it is plaintiff's intention to pursue enforcement of a U.S. judgment in Taiwan, formal Letters Rogatory may be the best recourse.

**Alternative Methods of Service.** LLS can also effect service in compliance with US rules through its attorney in Taiwan. Please understand that such service may not comport with Taiwanese rules for notification and may jeopardize any subsequent attempt to enforce a US judgment in Taiwan. Note, too, that defendants are often located in high rise buildings with tight security, making personal service problematic. For this reason, substitute service may have to be made.

**Caveat.** LLS is one of the premier translation and legal service companies in North America with considerable experience in the area of administering service of process under the *Hague Convention* and other international treaties. LLS does not, however, represent itself to be legal counsel in the area of international service of process, nor does it guarantee the performance of foreign bureaucrats. LLS shall not be held liable for service which is quashed due to improper or incomplete documentation supplied by the client, incorrect address for the party to be served, or defects to form. In the event service of process is determined to be improper for any reason occasioned by the acts or omissions of LLS, the attorney is entitled to a refund of all charges for those particular services. LLS shall not be liable for any incidental or consequential damages. Please note that clients of LLS must treat all information regarding LLS' prices, procedures or contacts as confidential. Specifically such information shall not be released to competitors or other parties. All prices quoted are valid for 60 days from the date of this letter.

In order for LLS to initiate work, we require your signature below acknowledging that your firm has authorized the project and is responsible for payment. The bid letter may be returned to LLS at our toll-free fax number, (888) 754-8454. Please note that work will not be initiated without your signature and that delays in returning this bid letter may jeopardize deadlines for your project. In addition, please note that payment must be received by LLS prior to initiating work on the Letters Rogatory and/or the translation of the documents. For your convenience, LLS accepts most major credit cards, checks and wire transfers.

Please note if job is subsequently cancelled or put on hold, LEIFF, CABRASER, HEIMANN & BERNSTEIN, LLP will be responsible for any costs that have been incurred by LLS.

Please do not hesitate to call me at (800) 755-5775, if you have any questions about any aspect of the work we will be performing. I look forward to hearing from you.

Sincerely,

LEGAL LANGUAGE SERVICES  
A Division of ALS International, Inc.



Karina Shreefer, Esq.  
International Litigation Support

Agreed and accepted by:

LEIFF, CABRASER, HEIMANN & BERNSTEIN,  
LLP

  
12/31/07  
(signature & date)

Eric B. Kaykoff, Attorney  
(printed name & title)